# INDIA NON JUDICIAL

## Government of Karnataka

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| Account Reference | : | NONACC (FI)/ kaksfcl08/ KODIGEHALLI/ KA-BA |
| Unique Doc. Reference | : | SUBIN-KAKAKSFCL0882230497823298P |
| Purchased by | : | B B UMESH |
| Description of Document | : | Article 12 Bond |
| Description | : | TENDER AGREEMENT |
| Consideration Price (Rs.) | : | 0 (Zero) |
| First Party | : | EXECUTIVE ENGINEER YELAHANKA BBMP |
| Second Party | : | B B UMESH |
| Stamp Duty Paid By | : | B B UMESH |
| Stamp Duty Amount(Rs.) | : | 500 (Five Hundred only) |

For The Pavagada Souharda Multipurpose Co-Operative Ltd

Authorised Signatory

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95
28-8-17

## Agreement Form

**Agreement**

This agreement, made the 28 day of Aug 2017, between **Executive Engineer, BBMP, Yelahanka Division, Bangalore-560064** [name and address of Employer] (hereinafter called "the Employer") of the one part and **M/S S.M.L.P. Asphalts Prop. B.B.Umesh, No:385, Bettahalasuru Post Bangalore North** [name and address of contractor] (hereinafter called "the Contractor") of the other part.

Whereas the Employer is desirous that the Contractor execute ***Improvements to roads and drains at Attur Village Attur Layout Santhosh Nagara Muneshwara Nagara in Ward No: 03*** name and identification number of Contract] (hereinafter called "the Works") and the Employer has accepted the Tender by the Contractor for the execution and completion of such Works and the remedying of any defects therein at a contract price of Rupees. **1,84,84,154.60 Lakhs.**

For SMLP Asphalt

Executive Engineer
Yelahanka Zone
Bruhat Bangalore Mahanagara Palike

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NOW THIS AGREEMENT WITNESSETH as follows:

1. In this Agreement, words and expression shall have the same meanings as are respectively assigned to them in the Conditions of Contract hereinafter referred to, and they shall be deemed to form and be read and construed as part of this Agreement.

2. In consideration of the payments to be made by the Employer to the Contractor as hereinafter mentioned, the Contractor hereby covenants with the Employer to execute and complete the Works and remedy any defects therein in conformity in all aspects with the provisions of the Contract.

3. The Employer hereby covenants to pay the Contractor in consideration of the execution and completion of the Works and the remedying the defects wherein the Contract Price or such other sum as may become payable under the provisions of the Contract at the times and in the manner prescribed by the Contract.

4. The following documents shall be deemed to form and be read and construed as part of this Agreement, viz:

   i) Letter of Acceptance;
   ii) Notice to proceed with the works;
   iii) Contractor's Tender;
   iv) Contract Data;
   v) Conditions of contract (including Special Conditions of Contract);
   vi) Specifications;
   vii) Drawings;
   viii) Bill of Quantities; and
   ix) Any other document listed in the Contract Data as forming part of the contract.

In witness whereof the parties thereto have caused this Agreement to be executed the day and year first before written.

The Common Seal of
was hereunto affixed in the presence of:Signed, Sealed and Delivered by the said

in the presence of:

Binding Signature of Employer _____

Executive Engineer
B.B.M.P Division
Yelahanka

For SMLP Asphalt

Binding Signature of Contractor _____

Proprietor

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| Unique Doc. Reference | : | SUBIN-KAKAKSFCL08822345121140 95P |
| Purchased by | : | B B UMESH |
| Description of Document | : | Article 12 Bond |
| Description | : | TENDER AGREEMENT |
| Consideration Price (Rs.) | : | 0 (Zero) |
| First Party | : | EXECUTIVE ENGINEER YELAHANKA DIVISION BBMP |
| Second Party | : | B B UMESH |
| Stamp Duty Paid By | : | B B UMESH |
| Stamp Duty Amount(Rs.) | : | 500 (Five Hundred only) |

For The Pavagada Souharda Multipurpose Co-Operative Ltd

Authorised Signatory

Please write or type below this line

### SECTION 5: CONDITIONS OF CONTRACT

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Bruhat Bangalore Mahanagara Palike

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For SM[illegible]

Proprietor

Executive Engineer
Yelahanka Division
Yelahanka Zone
Bangalore Mahanagara Palike
BANGALORE - 560064

## A. General

### 1. Definitions

1.1 Terms which are defined in the Contract Data are not also defined in the Conditions of Contract but keep their defined meanings. Bold letters are used to identify defined terms.

**Bill of Quantities** means the priced and completed Bill of Quantities forming part of the Tender.
**Compensation events** are those defined in Clause 38 hereunder.
The **Completion Date** is the date of completion of the Works as certified by the Employer in accordance with Sub Clause 46.1.
The **Contract** is the contract between the Employer and the Contractor to execute, complete and maintain the Works. It consists of the documents listed in Clause 2.2 below.
The **Contract Data** defines the documents and other information which comprise the Contract.
The **Contractor** is a person or corporate body who's Tender to carry out the Works has been accepted by the Employer.
The **Contractor's Tender** is the completed Tender document submitted by the Contractor to the Employer.
The **Contract price** is the price stated in the Letter of Acceptance and thereafter as adjusted in accordance with the provisions of the Contract.
**Days** are calendar days; **months** are calendar months.
A **Defect** is any part of the Works not completed in accordance with the Contract.
The **Defects liability period** is the period named in the Contract Data and calculated from the Completion Date.
The **Employer** is the party who will employ the Contractor to carry out the Works.
**Equipment** is the Contractor's machinery and vehicles brought temporarily to the Site to construct the Works.
The **Initial Contract price** is the Contract Price listed in the Employer's Letter of Acceptance.
The **Intended Completion Date** is the date on which it is intended that the Contractor shall complete the Works. The Intended Completion Date is specified in the Contract Data. The Intended Completion Date may be revised only by the Employer by issuing an extension of time.
**Materials** are all supplies, including consumables, used by the contractor for incorporation in the Works.
**Plant** is any integral part of the Works which is to have a mechanical, electrical, electronic or chemical or biological function.
The **Site** is the area defined as such in the Contract Data.
**Specification** means the Specification of the Works included in the Contract and any modification or addition made or approved by the Employer.

For SMLP Asphalt

Executive Engineer
Yelahanka Division
Yelahanka Zone
Bruhat Bangalore Mahanagara
BANGALORE - 560

The **Start Date** is given in the Contract Data. It is the date when the Contractor shall commence execution of the works. It does not necessarily coincide with any of the Site Possession Dates.
A **Subcontractor** is a person or corporate body who has a Contract with the Contractor to carry out a part of the work in the Contract which includes work on the Site.
A **Variation** is an instruction given by the Employer which varies the Works.
The **Works** are what the Contract requires the Contractor to construct, install, and turn over to the Employer, as defined in the Contract Data.

**2. Interpretation**

2.1 In interpreting these Conditions of Contract, singular also means plural, male also means female or neuter, and the other way around. Headings have no significance. Words have their normal meaning under the language of the Contract unless specifically defined. The Employer will provide instructions clarifying queries about the Conditions of Contract.

2.2 The documents forming the Contract shall be interpreted in the following order of priority:

(1) Agreement
(2) Letter of Acceptance, notice to proceed with the works
(3) Contractor's Tender
(4) Contract Data
(5) Conditions of Contract
(6) Specifications
(7) Drawings
(8) Bill of quantities and
(9) any other document listed in the Contract Data as forming part of the Contract.

**3. Law governing contract**

3.1 The law governing the Contract is the Laws of India supplanted by the Karnataka Local Acts.

**4. Employer's decisions**

4.1 Except where otherwise specifically stated, the Employer will decide contractual matters between the Employer and the Contractor.

**5. Delegation**

5.1 The Employer may delegate any of his duties and responsibilities to other people after notifying the Contractor and may cancel any delegation after notifying the Contractor.

For SMLP Asphalt
Proprietor

Executive Engineer
Yelahanka Division
Yelahanka Zone
Bruhat Bangalore Mahanagara Palike
BANGALORE - 560064

**6. Communications**

6.1 Communications between parties which are referred to in the conditions are effective only when in writing. A notice shall be effective only when it is delivered (in terms of Indian Contract Act).

**7. Subcontracting (Deleted)**

**8. Other Contractors**

8.1 The Contractor shall cooperate and share the Site with other contractors, public authorities, utilities, and the Employer.

**9. Personnel**

9.1 The Contractor shall employ the technical personnel (of number and qualifications) as may be stipulated by GOK from time to time during the execution of the work. The technical staff so employed shall be available at site as may be stipulated by the Employer.

9.2 If the Employer asks the Contractor to remove a person who is a member of the Contractor's staff or his work force stating the reasons, the Contractor shall ensure that the person leaves the Site within seven days and has no further connection with the work in the Contract.

**10. Employer's and Contractor's risks**

10.1 The Employer carries the risks which this Contract states are Employer's risks, and the Contractor carries the risks which this Contract states are Contractor's risks.

**11. Employer's risks**

11.1 The Employer is responsible for the excepted risks which are:

(a) rebellion, riot commotion or disorder unless solely restricted to employees of the Contractor or his Sub-Contractors arising from the conduct of the Works; or

(b) a cause due solely to the design of the Works, other than the Contractor's design; or

(c) any operation of the forces of nature (in so far as it occurs on the Site) which an experienced contractor:

(i) could not have reasonably foreseen; or

(ii) could reasonably have foreseen, but against which he could not reasonably have taken at least one of the following measures;

(A) prevent loss or damage to physical property from occurring by taking appropriate measures or

(B) insure against such loss or damage

**12. Contractor's risks**

12.1 All risks of loss of or damage to physical property and of personal injury and death which arise during and in consequence of the performance of the Contract other than the excepted risks are the responsibility of the Contractor.

**13. Insurance:**

13.1 The Contractor shall prior to commencing the works, effect and thereafter maintain insurances , in the joint names of the Employer and the Contractor, (cover Period), in the amounts stated in the Contract Data :

(a) for loss of or damage to the Works, Plants and Materials and the Contractor's equipment;

For SMLP

B. B.

Executive Engineer
Yelahanka Division
Yelahanka Zone
Bruhat Bangalore Mahanagara P...
BANGALORE

(b) for liability of both Parties for loss, damage, death and injury to third parties or their property arising out of the Contractor's performance of the Contract including the Contractor's liability for damage to the Employer's property other than the Works and

(c) for liability of both Parties and of any Employer's representative for death and injury to the Contractor's personnel except to the extent that liability arises from the negligence of the Employer, any Employer's representative or their Employees.

13.2 Policies and certificates for insurance shall be delivered by the Contractor to the Employer for his approval before the Start Date. All such insurance shall provide for compensation to be payable to rectify the loss or damage incurred. All payments received from insurers relating to loss or damage shall be held jointly by the Parties and used for the repair of the loss or damage or as compensation for loss or damage that is not to be repaired.

13.3 If the Contractor fails to effect or keep in force any of the insurances referred to in the previous sub-clauses or fails to provide satisfactory evidence, policies or receipts, the Employer may without prejudice to any other right or remedy, effect insurance for the cover relevant to such default and pay the premiums due and recover the same as a deduction from any other monies due to the Contractor. If no payments are due, the payment of the premiums shall be a debt due.

13.4 Alterations to the terms of insurance shall not be made without the approval of the Employer.

13.5 Both Parties shall comply with any conditions of the insurance policies.

**14. Site Investigation Reports:**

14.1 The Contractor, in preparing the tender, shall rely on any site investigation reports referred to in the Contract data, supplemented by any information available to the Tenderer.

**15. Queries about the Contract Data**

15.1 The Employer will clarify queries on the Contract Data.

**16. Contractor to construct the Works**

16.1 The Contractor shall construct the Works in accordance with the Specification and Drawings.

**17. The Works to be completed by the Intended Completion Date**

17.1 The Contractor may commence execution of the Works on the Start Date and shall carry out the Works in accordance with the program submitted by the Contractor, as updated with the approval of the Employer, and complete them by the Intended Completion Date.

**18. Approval by the Employer:**

18.1 The Contractor shall submit Specification and drawings showing the proposed Temporary Works to the Employer, who is to approve them if they comply with the Specifications and Drawings.

For S[illegible]

D-S Proprietor

Executive Engineer
Yelahanka Division
Yelahanka Zone
Bangalore Mahanagara Palike

18.2 The Contractor shall be responsible for the design of Temporary Works

18.3 The Employer's approval shall not alter the Contractor's responsibility for design of the Temporary Works.

18.4 The Contractor shall obtain approval of third parties to the design of third parties to the design of the temporary Works where required.

18.5 All Drawings prepared by the Contractor for the execution of the temporary or permanent Works, are subject to prior approval by the Employer before their use.

**19. Safety**

19.1 The Contractor shall be responsible for the safety of all activities on the Site.

**20. Discoveries**

20.1 Anything of historical or other interest or of significant value unexpectedly discovered on the Site is the property of the Employer. The Contractor is to notify the Employer of such discoveries and carry out the Employer's instructions for dealing with them.

**21. Possession of the Site**

21.1 The Employer shall give possession of all parts of the Site to the Contractor. If possession of a part is not given by the date stated in the Contract Data the Employer is deemed to have delayed the start of the relevant activities and this will be Compensation Event.

**22. Access to the Site**

22.1 The Contractor shall allow the Employer and any person authorized by the Employer access to the Site, to any place where work in connection with the Contract is being carried out or is intended to be carried out and to any place where materials or plant are being manufactured / fabricated / assembled for the works.

**23. Instructions**

23.1 The Contractor shall carry out all instructions of the Employer which comply with the applicable laws where the Site is located.

**24. Procedure for resolution of Disputes:**

24.1 If the Contractor is not satisfied with the decision taken by the Employer, the dispute shall be referred by either party to Arbitration within 30 days of the notification of the Employer's decision.

24.2 If neither party refers the dispute to Arbitration within the above 30 days, the Employer's decision will be final and binding.

24.3 The Arbitration shall be conducted in accordance with the arbitration procedure stated in the Special Conditions of Contract.

For SMLP Arnhelt

Executive Engineer
Yelahanka Division
Yelahanka Zone
Bruhat Bangalore Mahana[illegible]
BANGALORE - 56[illegible]

## B. Time Control

**25. Program**

25.1 Within the time stated in the Contract Data the Contractor shall submit to the Employer for approval a Program showing the general methods, arrangements, order, and timing for all the activities in the Works.

25.2 The Employer's approval of the Program shall not alter the Contractor's obligations. The Contractor may revise the Program and submit it to the Employer again at any time. A revised Program is to show the effect of Variations and Compensation Events.

**26. Extension of the Intended Completion Date**

26.1 The Employer shall extend the Intended Completion Date if a Compensation Event occurs or a Variation is issued which makes it impossible for Completion to be achieved by the Intended Completion Date.

26.2 The Employer shall decide whether and by how much to extend the Intended Completion Date within 21 days of the Contractor asking the Employer for a decision upon the effect of a Compensation Event or Variation and submitting full supporting information.

**27. Delays ordered by the Employer**

27.1 The Employer may instruct the Contractor to delay the start or progress of any activity within the Works.

**28. Management meetings**

28.1 The Employer may require the Contractor to attend a management meeting. The business of a management meeting shall be to review the progress achieved and the plans for remaining work.

28.2 The responsibility of the parties for actions to be taken is to be decided by the Employer either at the management meeting or after the management meeting and stated in writing to be distributed to all who attended the meeting.

## C. Quality Control

**29. Identifying defects**

29.1 The Employer shall check the Contractor's work and notify the Contractor of any Defects that are found. Such checking shall not affect the Contractor's responsibilities. The Employer may instruct the Contractor to search for a Defect and to uncover and test any work that the Employer considers may have a Defect

**30. Tests**

30.1 If the Employer instructs the Contractor to carry out a test not specified in the Specification to check whether any work has a Defect and the test shows that it does, the Contractor shall pay for the test and any samples. If there is no Defect the test shall be a Compensation Event.

For SMT

Proprietor

Proprietor

Executive Engineer
Yelahanka Division
Yelahanka Zone
Bangalore Mahanagara Palike
560064

**31. Correction of defects**

31.1 The Employer shall give notice to the Contractor of any Defects before the end of the Defects Liability Period, which begins at Completion and is defined in the Contract Data. The Defects Liability Period shall be extended for as long as Defects remain to be corrected.

31.2 Every time notice of a Defect is given, the Contractor shall correct the notified Defect within the length of time specified by the Employer's notice.

**32. Uncorrected defects**

32.1 If the Contractor has not corrected a Defect within the time specified in the Employer's notice, the Employer will assess the cost of having the Defect corrected, and the Contractor will pay this amount.

## D. Cost Control

**33. Bill of Quantities (BOQ)**

33.1 The BOQ shall contain items for the construction, installation, testing, and commissioning work to be done by the Contractor.

33.2 The BOQ is used to calculate the Contract Price. The Contractor is paid for the quantity of the work done at the rate in the BOQ for each item

**34. Variations**

34.1 The Employer shall have power to order the Contractor to do any or all of the following as considered necessary or advisable during the progress of the work by him

(a) Increase or decrease of any item of work included in the Bill of Quantities (BOQ);
(b) Omit any item of work;
(c) Change the character or quality or kind of any item of work;
(d) Change the levels, lines, positions and dimensions of any part of the work;
(e) Execute additional items of work of any kind necessary for the completion of the works; and
(f) Change in any specified sequence, methods or timing of construction of any part of the work.

34.2 The Contractor shall be bound to carry out the work in accordance with any instructions in this connection, which may be given to him in writing by the Employer and such alteration shall not vitiate or invalidate the contract.

34.3 Variations shall not be made by the Contractor without an order in writing by the Employer, provided that no order in writing shall be required for increase or decrease in the quantity of an item appearing in the BOQ so long as the work executed conforms to the approved drawings.

34.4 The Contractor shall promptly request in writing to the Employer to confirm verbal orders and the officer issuing oral instructions shall confirm it in writing within 30 days, failing which the works shall be carried out as though there is no variation. In case variation is approved it shall be accompanied by BOQ, failing which the contractor shall be responsible for deviation if any. Further, approval of Govt. has to be obtained for the variation exceeding 5%.

For SMLP Asphalt

Executive Engg
Yelahanka Division
Yelahanka Zone
Bruhat Bangalore Mahanagara Palike

**35. Payments for Variations**

35.1 Payment for increase in the quantities of an item in the BOQ up to 25% of that provided in the Bill of Quantities shall be made at the rates quoted by the Contractor.

35.2 For quantities in excess of 125% of the tendered quantity of an item as given in the BOQ, the Contractor shall be paid at the rate entered in or derived from in the Schedule of Rates (applicable for the area of the work and current at the time of award of contract) plus or minus the overall percentage of the original tendered rates over the current Schedule of Rates prevalent at the time of award of contract.

35.3 If there is no rate for the additional, substituted or altered item of the work in the BOQ, efforts would be made to derive the rates from those given in the BOQ or the Schedule of Rates (applicable for the area of the work and current at the time of award of contract) and if found feasible the payment would be made at the derived rate for the item plus or minus the overall percentage of the original tendered rates over the current Schedule of Rates prevalent at the time of award of contract

35.4 If the rates for additional, substituted or altered item of work cannot be determined either as at 35.1 or 35.2 or 35.3 above, the Contractor shall be requested to submit his quotation for the items supported by analysis of the rate or rates claimed, within 7 days.

35.5 If the Contractor's quotation is determined unreasonable, the Employer may order the Variation and make a change to the Contract Price which shall be based on Employer's own forecast of the effects of the Variation on the Contractor's costs.

35.6 If the Employer decides that the urgency of varying the work would prevent a quotation being given and considered without delaying the work, no quotation shall be given and the Variation shall be treated as a Compensation Event.

35.7 Under no circumstances the Contractor shall suspend the work on the plea of non-settlement of rates for items falling under this Clause.

**36. Submission of bills for payment**

36.1 The Contractor shall submit to the Employer monthly bills of the value of the work completed less the cumulative amount paid previously.

36.2 The Employer shall check the Contractor's bill and determine the value of the work executed which shall comprise of (i) value of the quantities of the items in the BOQ completed and (ii) valuation of Variations and Compensation Events.

36.3 The Employer may exclude any item paid in a previous bill or reduce the proportion of any item previously paid in the light of later information.

**37. Payments**

37.1 Payments shall be adjusted for deductions for advance payments, other recoveries in terms of the contract and taxes, at source, as applicable under the law. The Employer shall pay the Contractor the within 60 days of submission of bill. The contractor shall be liable to pay liquidated damages for short fall in progress. For progress beyond the agreed program payment is subject to availability of grants.

37.2 Items of the Works for which no rate or price has been entered in will not be paid for by the Employer and shall be deemed covered by other rates and prices in the Contract.

For SMT [illegible]

Proprietor

Executive Engineer
Yelahanka Division
Yelahanka Zone
Bruhat Bangalore Mahanagara Palike
BANGALORE - 560064

**38. Compensation events**

38.1 The following are Compensation events unless they are caused by the Contractor:

(a) The Employer does not give access to a part of the Site by the Site Possession Date stated in the Contract Data.
(b) The Employer orders a delay or does not issue drawings, specifications or instructions required for execution of works on time.
(c) The Employer instructs the Contractor to uncover or to carry out additional tests upon work which is then found to have no Defects.
(d) The Employer gives an instruction for dealing with an unforeseen condition, caused by the Employer, or additional work required for safety or other reasons.
(e) The effect on the Contractor of any of the Employer's Risks.
(f) The Employer unreasonably delays issuing a Certificate of Completion.
(g) Other Compensation Events listed in the Contract Data or mentioned in the Contract.

38.2 If a Compensation Event would cause additional cost or would prevent the work being completed before the Intended Completion Date, the Contract Price shall be increased and/or the Intended Completion Date is extended. The Employer shall decide whether and by how much the Contract Price shall be increased and whether and by how much the Intended Completion Date shall be extended.

38.3 As soon as information demonstrating the effect of each Compensation event upon the Contractor's forecast cost has been provided by the Contractor, it is to be assessed by the Employer and the Contract Price shall be adjusted accordingly. If the Contractor's forecast is deemed unreasonable, the Employer shall adjust the Contract Price based on Employer's own forecast. The Employer will assume that the Contractor will react competently and promptly to the event.

38.4 The Contractor shall not be entitled to compensation to the extent that the Employer's interests are adversely affected by the Contractor not having given early warning or not having cooperated with the Employer.

**39. Tax**

39.1 The rates quoted by the Contractor shall be deemed to be inclusive of the sales and other taxes that the Contractor will have to pay for the performance of this Contract. The Employer will perform such duties in regard to the deduction of such taxes at source as per applicable law.

**40. Price Adjustment:**

For SMLP Asphalt

P.P.

Executive Engineer
Yelahanka Division
Yelahanka Zone
Bruhat Bangalore Mahanagara Palike
BANGALORE

## Provisions for Price Adjustment; DELETED

Price Adjustments for specified materials only will be admissible as per the Government Order No: FD 3 PCL 2008, Bangalore, Dtd: 21-11-2008

**It is directed that the following price adjustment methods are applicable hereafter.**

a) For all works costing more than Rs.50 lakhs, if the period of execution is more than 12 months, the price adjustment will be calculated as prescribed in Annexure to GO. No: FD 59 PRO Celli 2004, dt: 26.11.2001.

b) If the period of execution is more than 6 months but less than or equal to 12 months for work costing more than Rs.50 lakhs, star rates in respect of specified materials (cement, steel and bitumen) only shall be payable to the contractor based on the all India average wholesale price index for the said materials. The star rates adjustment shall be as per the increase or decrease in the index as applied to the said materials between the last date for receiving bids and the date of execution as per the approved programme of works submitted by the contractor at the time of execution of agreement which shall mandatorily be a part of the agreement.

c) If the period of execution is less than or equal to 6 months, for all works irrespective of the cost of the works, price adjustment or star rates shall not be applicable.

d) In works contracts where price adjustment clause is provided, the price adjustment shall be admissible from the date of opening of tenders (Original or extended).

e) Price adjustment clause shall not be included UL Goods and Equipment tender documents. However, in respect of tender documents for procurement of Electric Cables, Transformers, Generators, Motors that have raw material component subject to price fluctuations, appropriate price adjustment clauses may be incorporated by the Tender Inviting Authority in the tender documents, with the specific approval of the concerned Head of the Department or Managing Director of the Public Sector Undertaking/ Board.

2. The above mentioned methods of price adjustment clause are subject to the following conditions:

   i) The price adjustment clause or the star rates shall not be admissible if the contract period is extended due to lapse on the part of the contractor.

For SMLP ...

Proprietor

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ii) For the cases (a) and (b) above, if the contract period is extended due to no fault of the contractor, the modified programme shall be approved by the competent authority and shall become a part of agreement for which price adjustment/star rates will be applicable.

iii) For the purpose of working out price adjustment and star rates, the price index issued from time to time by the Ministry of Commerce and Industry, Government of India should be adopted.

iv) The formulae for price adjustment shall be as prescribed in Annexure-1 to the G.O.No: FD 59 PRO.Cell/2004 dated: 26.11.2004, which is appended.

**41. Liquidated damages**

41.1 The Contractor shall pay liquidated damages to the Employer at the rate per day stated in the Contract Data for each day that the Completion Date is later than the Intended Completion Date (for the whole of the works or the milestone as stated in the Contract Data). The total amount of liquidated damages shall not exceed the amount defined in the Contract Data. The Employer may deduct liquidated damages from payments due to the Contractor. Payment of liquidated damages does not affect the Contractor's liabilities.

41.2 If the Intended Completion Date is extended after liquidated damages have been paid, the Employer shall correct any overpayment of liquidated damages by the Contractor by adjusting the next payment of bill.

**42. Advance Payments: DELETED**

42.1 The Employer shall make payment to the Contractor of the amounts stated in the Contract Data by the date stated in the Contract Data, against provision by the Contractor of an unconditional bank guarantee in a form acceptable to the Employer issued by a Nationalized/Scheduled Bank in amounts equal to the advance payment. The guarantee shall remain effective until the advance payment has been repaid, but the amount of the guarantee shall be progressively reduced by the amounts repaid by the Contractor. Interest will not be charged on the advance payment.

42.2 The Contractor is to use the advance payment only to pay for Mobilization expenses required specifically for execution of the Works. The Contractor shall demonstrate that advance payment has been used in this way by supplying copies of invoices or other documents to the Employer.

42.3 The advance payment shall be repaid by deducting proportionate amounts from payments otherwise due to the Contractor, following the schedule of completed percentages of the Works on a payment basis. No account shall be taken of the advance payment or its repayment in assessing valuation of the work done, variations, price adjustments, compensation events or liquidated damages.

For SMLP Associates

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**43. Securities:**

43.1 The Security deposit (including additional security for unbalanced tenders) shall be provided to the Employer no later than the date specified in the Letter of Acceptance and shall be issued in an amount and form and type of instrument acceptable to the Employer. The Security deposit shall be valid until a date 30 days from the date of expiry of Defects Liability Period and the additional security for unbalanced tenders shall be valid until a date 30 days from the date of issue of the certificate of completion.

**44. Cost of Repairs:**

44.1 Loss or damage to the Works or Materials to be incorporated in the Works between the Start Date and the end of the Defects Correction periods shall be remedied by the Contractor at the Contractor's cost if the loss or damage arises from the Contractor's acts or omissions.

## E. Finishing the Contract

**45. Completion**

45.1 The Contractor shall request the Employer to issue a Certificate of Completion of the Works and the Employer will do so upon deciding that the Work is completed.

**46. Taking over**

46.1 The Employer shall take over the Site and the Works within seven days of issuing a certificate of Completion.

**47. Final account**

47.1 The Contractor shall supply to the Employer a detailed account of the total amount that the Contractor considers payable under the Contract before the end of the Defects Liability Period. The Employer shall issue a Defect Liability Certificate and certify any final payment that is due to the Contractor within 90 days of receiving the Contractor's account if it is correct and complete. If it is not, the Employer shall issue within 90 days a schedule that states the scope of the corrections or additions that are necessary. If the Final Account is still unsatisfactory after it has been resubmitted, the Employer shall decide on the amount payable to the Contractor and make payment within 60 days of receiving the Contractor's revised account.

**48. As built drawings and /or Operating and Maintenance Manuals**

48.1 If "as built"[1] Drawings and/or operating and maintenance manuals are required, the Contractor shall supply them by the dates stated in the Contract Data.

For SMT

Proprietor

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48.2 If the Contractor does not supply the Drawings by the dates stated in the Contract Data, or they do not receive the Employer's approval, the Employer shall withhold the amount stated in the Contract Data from payments due to the Contractor..

**49. Termination**

49.1 The Employer or the Contractor may terminate the Contract if the other party causes a fundamental breach of the Contract.

49.2 Fundamental breaches of Contract include, but shall not be limited to the following:

(a) the Contractor stops work for 45 days when no stoppage of work is shown on the current Program and the stoppage has not been authorized by the Employer;

(b) The Contractor becomes bankrupt or goes into liquidation other than for a reconstruction or amalgamation;

(c) the Employer gives Notice that failure to correct a particular Defect is a fundamental breach of Contract and the Contractor fails to correct it within a reasonable period of time determined by the Employer;

(d) the Contractor does not maintain a security which is required;

(e) the Contractor has delayed the completion of works by the number of days for which the maximum amount of liquidated damages can be paid as defined in the Contract data; and

(f) if the Contractor, in the judgment of the Employer has engaged in corrupt or fraudulent practices in competing for or in the executing the Contract.
For the purpose of this paragraph : "corrupt practice" means the offering, giving, receiving or soliciting of any thing of value to influence the action of a public official in the procurement process or in contract execution. "Fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of the Borrower, and includes collusive practice among Tenderers (prior to or after Tender submission) designed to establish Tender prices at artificial non-competitive levels and to deprive the Borrower of the benefits of free and open competition."

49.3 When either party to the Contract gives notice of a breach of contract to the Employer for a cause other than those listed under Sub Clause 49.2 above, the Employer shall decide whether the breach is fundamental or not.

49.4 Notwithstanding the above, the Employer may terminate the Contract for convenience.

49.5 If the Contract is terminated the Contractor shall stop work immediately, make the Site safe and secure and leave the Site as soon as reasonably possible.

**50. Payment upon Termination**

For SMLP

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Bruhat Bangalore Mahanagara

50.1 If the Contract is terminated because of a fundamental breach of Contract by the Contractor, the Employer shall prepare bill for the value of the work done less advance payments received up to the date of the bill, less other recoveries due in terms of the contract, less taxes due to be deducted at source as per applicable law and less the percentage to apply to the work not completed as indicated in the Contract Data. Additional Liquidated Damages shall not apply. If the total amount due to the Employer exceeds any payment due to the Contractor the difference shall be a debt payable to the Employer.

50.2 If the Contract is terminated at the Employer's convenience or because of a fundamental breach of Contract by the Employer, the Employer shall prepare bill for the value of the work done, the reasonable cost of removal of Equipment, repatriation of the Contractor's personnel employed solely on the Works, and the Contractor's costs of protecting and securing the Works and less advance payments received up to the date of the certificate, less other recoveries due in terms of the contract, and less taxes due to be deducted at source as per applicable law and make payment accordingly.

**51. Property**

51.1 All materials on the Site, Plant, Equipment, Temporary Works and Works are deemed to be the property of the Employer, if the Contract is terminated because of a Contractor's default.

**52. Release from performance**

52.1 If the Contract is frustrated by any event entirely outside the control of either the Employer or the Contractor the Employer shall certify that the Contract has been frustrated. The Contractor shall make the Site safe and stop work as quickly as possible after receiving this certificate and shall be paid for all work carried out before receiving it and for any work carried out afterwards to which commitment was made

## F. Special Conditions of Contract

**1. Labour:**

The Contractor shall, unless otherwise provided in the Contract, make his own arrangements for the engagement of all staff and labour, local or other, and for their payment, housing, feeding and transport.

The Contractor shall, if required by the Employer, deliver to the Employer a return in detail, in such form and at such intervals as the Employer may prescribe, showing the staff and the numbers of the several classes of labour from time to time employed by the Contractor on the Site and such other information as the Employer may require.

For SMLP Associates

Proprietor

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2. **Compliance with labour regulations**:
During continuance of the contract, the Contractor and his sub contractors shall abide at all times by all existing labour enactments and rules made there under, regulations, notifications and bye laws of the State or Central Government or local authority and any other labour law (including rules), regulations, bye laws that may be passed or notification that may be issued under any labour law in future either by the State or the Central Government or the local authority. The Contractor shall keep the Employer indemnified in case any action is taken against the Employer by the competent authority on account of contravention of any of the provisions of any Act or rules made there under, regulations or notifications including amendments. If the Employer is caused to pay or reimburse, such amounts as may be necessary to cause or observe, or for non-observance of the rovisions stipulated in the notifications/bye laws/Acts/Rules/regulations including amendments, if any, on the part of the Contractor, Employer shall have the right to deduct any money due to the Contractor including his amount of security deposit. The Employer shall also have right to recover from the Contractor any sum required or estimated to be required for making good the loss or damage suffered by the Employer.
The employees of the Contractor and the Sub-Contractor in no case shall be treated as the employees of the Employer at any point of time.

3. **Protection of Environment:**

The contractor shall take all reasonable steps to protect the environment on and off the Site and to avoid damage or nuisance to persons or to property of the public or others resulting from pollution, noise or other causes arising as a consequence of his methods of operation. During continuance of the contract, the contractor and his sub-contractors shall abide at all times by all existing enactments on environmental protection and rules made there under, regulations, notifications and bye-laws of the State or Central Government, or local authorities and any other law, bye-law, regulations that may be passed or notification that may be issued in this respect in future by the State or Central Government or the local authority.

4. **Arbitration (Clause 24)**

4.1 The procedure for arbitration shall be as follows:

(a) In case of dispute or difference arising between the Employer and the Contractor relating to any matter arising out of or connected with this agreement it shall be settled in accordance with the Arbitration and Conciliation Act 1996. The disputes or differences shall be referred to a Sole Arbitrator. The Sole Arbitrator shall be appointed by agreement between the parties; failing such agreement, by the Appointing Authority (any one of the Organizations as per list enclosed in Annexure)

(b) Arbitration proceedings shall be held at.....[2], Karnataka, India

For SMLP A...

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(c) The cost and expenses of arbitration proceedings will be paid as determined by the Arbitrator. However the expenses incurred by each party in connection with the preparation, presentation, etc., shall be borne by each party itself.

(d) **Performance under the contract shall continue during the arbitration proceedings and payments due the Contractor by the Employer shall not be withheld, unless they are the subject matter of the arbitration proceedings.**

*[Add other Clauses specific to the work for which tenders are invited.]*

# Annexure:

**LIST OF ORGANIZATIONS WHO ARE CONSIDERED AS APPOINTING AUTHORITY FOR APPOINTMENT OF ARBITRATORS[3]**

1. Indian Council of Arbitration, New Delhi;
2. International Centre for Alternative Disputes Resolution (India);
3. Indian Roads Congress;
4. Indian Building Congress;
5. Indian Institute of Bridge Engineers;
6. Indian Institute of Public Health Engineers;
7. Institute of Water Works

## SECTION 6: CONTRACT DATA

**Items marked "N/A" do not apply in this Contract.**

| The following documents are also part of the Contract: | **Clause Reference** |
|---|---|
| • The Schedule of Operating and Maintenance Manuals | [48] |
| • The Methodology and Program of Construction | [25] |
| • Site Investigation Reports | [14] |
| • The Schedule of Key and Critical Equipment to be deployed on the work as per agreed program of construction. | [25] |

The Employer is :
Name: The Executive Engineer,
Address: Yelahanka Division,
BBMP, Bangalore

Name of authorized Representative: **M/S S.M.L.P. Asphalts Prop. B.B.Umesh, No:385, Bettahalasuru Post Bangalore North .**

For SMLP Asphalt
Prop.

Executive Engineer
Yelahanka Division
Yelahanka Zone
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The name and identification number of the Contract is **"*Improvements to roads and drains at Attur Village Attur Layout Santhosh Nagara Muneshwara Nagara in Ward No: 03*)"**

**- Tender Reference No: NO.EE/YNK/E-PROC/05/2016-17 Dt:26.12.2017**

-DO NOT OPEN BEFORE the date mentioned in e-portal

The Works consists of Asphalting and Development to roads and drains [1.1]
[Brief summary, including relationship to other contracts under the Project].
The start date shall be the date of issue of notice to proceed with the work. [1.1]
The Intended Completion Date for the whole of the Works is 12 months with the following milestones - [17, 26]

Milestone dates:
Physical works to be completed
Period from the date of issue of
Notice to proceed with the work
Milestone 1 i.e..... 1/4 of the work in 1 1/2 months
Milestone 2 i.e.,.....1/2 of the work in 3 months
Milestone 3 i.e.,.....Full work in 6 months
The Site Possession Date is: Immediately after issuing of work order [21]
The Site is located near **Yelahanka Assembly Constituency** and is defined in drawing enclosed.
The Defects Liability Period is **3 YEARS** [1.1]
Insurance requirements are as under: [31]
[13]

| | Type of Cover | Minimum cover for Insurance[4] |
|---|---|---|
| (i) | Works and of Plant and materials | The sum stated in the Agreement plus 20% |
| (ii) | Loss or damage to equipment | Full replacement cost |
| (iii) | Loss or damage to property of Third Party | Full replacement cost |
| (iv) | Personal injury or death insurance (a) for Third Party[5] | |
| | (b) for Contractor's employees or labour | In accordance with the statutory requirements applicable to Karnataka |

The liquidated damages for the whole of the works are **Rs.0.1% of the Contract Price per day** and that for the milestones are as under :

-22-

**For Milestone 1:** **Rs. 0.1% of (Contract Price / 4) per day**
**For Milestone 2:** **Rs. 0.1% of (Contract Price / 2) per day.**
**For Milestone 3:** **Rs. 0.1% of (Contract Price ) per day.**

The maximum amount of liquidated damages for the whole of the works [41]

For SMLP Asphalt

R. D. Proprietor

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is ten percent of final contract price i.e.

The amounts of the advance payment are: DELETED

[42]

| Nature of Advance | Amount (Rs.) | Conditions to be fulfilled |
|---|---|---|
| 1. Mobilization | 5% of the Contract price | On submission of un-conditional Bank Guarantee (to be drawn before end of 20% of Contract period) |

(The advance payment will be paid to the Contractor no later than 30 days after fulfillment of the above conditions).

Repayment of advance payment for mobilization: [42]

The advance loan shall be repaid with percentage deductions from the interim payments certified by the Engineer under the Contract. Deductions shall commence in the next Interim Payment Certificate following that in which the total of all such payments to the Contractor has reached not less than 15 percent of the Contract Price or **months** from the date of payment of first installment of advance, whichever period concludes earlier, and shall be made at the rate of 7.5% percent of the amounts of all Interim Payment Certificates until such time as the loan has

been repaid, always provided that the loan shall be completely repaid prior to the expiry of the original time for completion pursuant to Clauses 17 and 26.

[48]

The date by which "as built" drawing (in appropriate scale) in 2 sets are required is within 30 days of issue of certificate of completion of whole or section of the work as the case may be.

[48]

"The date by which operating & maintenance manuals are required is within 30 days of issue of certificate of completion of whole or section of the work as the case may be

[48]

The amount to be withheld for failing to supply "as built" drawings or supply of Operation and Maintenance Manuals by the date required is

The following events shall also be fundamental breach of the contract:

[49.2]

(3) The contractor has contravened Sub-clause 7.1 and Clause 9 of CC.

The percentage to apply to the value of the work not completed representing the Employer's

Additional cost for completing the Works shall be 30 percent. [50.1]

For SMLP Asphalt

Director

Executive Engineer
Yelahanka Division
Yelahanka Zone
Bruhat Bangalore Mahanagara Palike
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## SECTION 7: SPECIFICATIONS
## (MORT & H and SR)

## SECTION 8: DRAWINGS
## (Enclosed Separately)

## SECTION 9: BILL OF QUANTITIES

| Sl. No. | Description of item (with brief specification and reference to Book of specification) | Quantity | Unit | Rate (Rs) | | Amount (Rs) |
|---|---|---|---|---|---|---|
| | | | | In figures | In words | |
| | **Can be access in the E-procurement Portal** | | | | | |
| | **Total Tender Price (in figures)** | | | | | |
| | **(in words** | | | | | |

**Note:**

(3) Item for which no rate or price has been entered in will not be paid for by th Employer when executed and shall be deemed covered by the other rat prices in the Bill of Quantities (refer: ITB Clause 11.2 and CC Clause 37.2).

(2) Unit rates and prices shall be quoted by the Tenderer in Indian Rupees.

(3) Where there is a discrepancy between the rate in figures and words, the lower of the two will govern. [ITT Clause 24.1(a)]

(4) Where there is a discrepancy between the unit rate and the line item total resulting from multiplying the unit rate by quantity, the unit rate quoted shall govern. [ITT Clause 24.1 (b)]

For SMLP Asphalt

Proprietor

Executive Engineer
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## SECTION 10: FORMAT OF BANK GUARANTEE FOR SECURITY DEPOSIT

To:

The Executive Engineer,
Yelahanka Division,
BBMP, Bangalore.

WHEREAS **M/S S.M.L.P. Asphalts Prop. B.B.Umesh, No.15, Bettahalasuru Post Bangalore North** *[name and address of Contractor]* (hereinafter called "the Contractor") has undertaken, in pursuance of Contract No. _____ dated _____ to execute _____ *[name of Contract and brief description of Works]* (hereinafter called "the Contract");

AND WHEREAS it has been stipulated by you in the said Contract that the Contractor shall furnish you with a Bank Guarantee by a recognized bank for the sum specified therein as security for compliance with his obligations in accordance with the Contract;

AND WHEREAS we have agreed to give the Contractor such a Bank Guarantee;

NOW THEREFORE we hereby affirm that we are the Guarantor and responsible to you, on behalf of the Contractor, has submitted EMD through e-Procurement portal Rs.**3,00,000/-** Ref No:**B2024537/E/N/01** and Submitted FDD for **Rs.** 6,75,000/- DD No: 119607 Dt:11-7-2017 SBI Bank Yelahanka Branch and including of Rs.**3,00,000/-** Ref No:**B2024537/E/N/01** in The remaining amount will be collected in the running bill. And ( Difference DDNo:**407074,** Dated on11-7-2017 of Amount Rs. 10,00,000/- Corporation Bank Yelahanka Branch) and we undertake to pay you, upon your first written demand and without cavil or argument, any sum or sums within the limits of _____ *[amount of guarantee]* as aforesaid without your needing to prove or to show grounds or reasons for your demand for the sum specified therein.

We hereby waive the necessity of your demanding the said debt from the Contractor before presenting us with the demand.

For S.M.L.P. Asphalt
B.B.
Proprietor

Executive Engineer
Yelahanka Division
Yelahanka Zone
Bruhat Bangalore Mahanagara Palike
BANGALORE - 560064

Bruhat Bangalore